

**Joint Meeting of the Water & Sewer Commission
And the Electric Utility Commission
January 4, 2016**

- I. **Roll Call:** Commissioners Steve Fitzhugh, Chris Bradley, Ken Goslant, Dave Maxwell; Town Manager Jeff Schulz; Utility Superintendent Pat Demasi. Steve Fitzhugh called the meeting to order at 7:00 PM.

II. **Meeting of the Electric Commission**

Minutes of the 11-2-15 Meeting.

The Commission reviewed the meeting minutes of the 11-2-16 joint Utility Commission meeting. There were no changes to the minutes. Motion by Chris Bradley, second by Ken Goslant to approve the minutes. **Motion passed 3-1-1. (One abstention)**

New Business

Informational Report for Town Meeting.

Jeff Schulz stated that the Select Board had suggested that the Utility Commission consider preparing the sewer, water and electric budgets at the same time as the general fund budgets. In lieu of doing the budgets at the same time, the Board recommended that the Commission prepare a report discussing the sewer, water and electric department's operations and budgets for the Town Report. The Commissioners discussed the concept of doing the Utility and General fund budgets at the same time; however concluded that because the utilities are paid for by the rate payers and are business accounts, they need to be separate. The Commission agreed to prepare a one page report for the Annual Report discussing how the Utilities function, and that the budget and financials will be available in June.

Electric Budget Status

Jeff Schulz stated that the latest Electric budget status report shows that the Electric revenues are on target for the year to date (at the end of November). The Electric Department expenses are below budget at about 30% used year to date (at the end of November).

Motion by Chris Bradley to adjourn the Electric Commission, second by Ken Goslant, **Motion passed 3-0-0.**

Meeting of the Water & Sewer Commission

Impact of the Closing of the Gildan Plant on Water/Sewer rates. The Sewer and Water Commissioners reviewed a memo from the Finance Director analyzing the potential impact of the closing of the Gildan plant on the water and sewer rates. The memo reveals that water use from Gildan represents approximately 23% of the utility's revenues, and the loss of this revenue will have

an impact on the sewer and water budgets; which in turn will require a rate increase at some point. The Commission recommended against a mid-year rate increase because there are funds in reserve to make up for any short fall, and that the full impact of the plant closing will not be known until year end when more data on the department operating expenses is known.

The Commissioners agreed that the plant closing will have an impact on the water and sewer rates, and as a result, the Commission will notify the community of the issue through a report to be included in the Town report.

Water/Sewer Budget Status

Jeff Schulz stated that the latest Water Utility budget status report shows that the overall department revenues are on target for the year to date (at the end of November). The Department expenses are slightly over budget at 44% used year to date. The Sewer Department expenses are at 34% year to date (through November) and thus under budget. Sewer revenues are on track for the year.

Other Business

Steve Fitzhugh stated that the smart meter project (future installation of electric and water meters in Northfield) was tabled at the last meeting to allow for further research on the project. Steve will continue to work with the Vermont Public Power Supply Authority (VPPSA) on the project, and the potential role and support that VPPSA could have in this process.

Motion by Chris Bradley, second by Dave Maxwell, to adjourn the Water and Sewer Commission. **Motion passed 3-0-0.**

Respectfully Submitted,

Jeff Schulz, Clerk